



## I M P O R T A N T I N F O R M A T I O N

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## To All Prescribing Physicians, Healthcare Workers and Pharmacy Providers:

*Note: The information in this article is not directed to those providers rendering services in the risk-based managed care (RBMC) delivery system.*

- The table below contains changes that will be implemented to the *Over-the-Counter (OTC) Drug Formulary*. OTC smoking cessation drug products will be assigned State maximum allowable cost (MAC) rates and magnesium 64mg extended-release tablets will be added to the OTC vitamin and mineral supplement list. The changes will be effective for claims submitted on, or after, December 17, 2001.

Product	State MAC Rate
Nicotine Chewing Gum 2mg	\$0.34794/each
Nicotine Chewing Gum 4mg	\$0.44210/each
Nicotine Topical Patch 7mg/24 hour	\$3.03093/each
Nicotine Topical Patch 14mg/24 hour	\$3.03093/each
Nicotine Topical Patch 21mg/24 hour	\$3.03093/each
Nicotine Topical Patch 11mg/24 hour	\$2.41264/each
Nicotine Topical Patch 22mg/24 hour	\$2.41264/each
Nicotine Topical Patch 15mg/24 hour	\$3.17700/each
Magnesium Tablet 64mg, Extended-release	\$0.10425/each

The information in this banner page will be incorporated in the next update to *Chapter 9, Appendix D*, of the *Indiana Health Coverage Programs Provider Manual*. Any questions about this banner page or the *OTC Drug Formulary* should be directed to the EDS Pharmacy Services POS/Pro-DUR Help Desk at 1-877-877-5182.

## To All Providers:

- The current rate of \$66.91 for lab code 80055 – *Obstetric Panel* is changing. Effective for dates of service on, or after, December 17, 2001, the rate for lab code 80055 will be \$37.99. This rate is the median rate for other State programs. Any questions about this information should be directed to EDS Customer Assistance at (317) 655-3240 or 1-800-577-1278.
- This article is to clarify the use and billing procedure for immunization codes 90657 – *Influenza virus vaccine, split virus, 6-35 months dosage, for intramuscular or jet injection use (per 0.25 ml)*; and 90658 – *Influenza virus vaccine, split virus, 3 years and above dosage, for intramuscular or jet injection use (per 0.50 ml)*. One unit of service is equivalent to the dosage noted in the description of both codes. For example, one unit of service entered in block 24G, of the HCFA-1500 Claim Form for code 90657 represents a .25 ml dose. The units of service must be entered as 2 to bill a .50 ml dose using code 90657, and the rate will be calculated appropriately. Both codes contain age-specific criteria in the description and must be billed accordingly. A \$2.90 administration fee is calculated in the total reimbursement for both codes; therefore, it is not appropriate to bill code 90471 – *Immunization Administration; single or combination vaccine/toxoid* with either of the above codes. Any questions about this information should be directed to EDS Customer Assistance at (317) 655-3240 or 1-800-577-1278.
- In accordance with *House Enrolled Act (HEA) 1872*, effective with dates of service July 1, 2001, authorization requirements are changing for detailed and comprehensive emergency department services (CPT codes 99284 and 99285), provided to Hoosier Healthwise PrimeStep enrolled members. The change allows claims for these services to be considered, based on prudent layperson standards regardless of primary medical provider (PMP) authorization. CPT codes 99281 thru 99283 already process according to these conditions. However, any time a Hoosier Healthwise member visits the emergency department, providers must still contact the member's PMP within 48 hours of the visit. Additionally, and in accordance with *HEA 1872*, all claims for CPT codes 99284 and 99285 processed by EDS between July 1 and October 8, 2001, are being reprocessed using the revised claim adjudication logic. Any necessary adjustments for these previously processed claims will appear on the remittance advice (RA) with an internal control number (ICN) beginning with 80 or 56. Any questions about this information should be directed to EDS Customer Assistance at (317) 655-3240 or 1-800-577-1278, or to an EDS provider representative.

## To All Pharmacy Providers:

*Note: The information referenced below is not directed to those providers rendering services in the risk-based managed care (RBMC) delivery system.*

- This is to notify providers that, for pharmacy claims for legend drugs received on or after October 28, 2001, with dates of service (dispense dates) of October 28, 2001, or after, the dispensing fee shall be reduced from the current level of a maximum of \$4.00 to \$3.00. In addition, drug component reimbursement will change from AWP minus 10% to AWP – 13%.

These changes in reimbursement are being made because the Medicaid program biennial budget was not fully appropriated by the General Assembly during the 2001 legislative session. For State Fiscal Year 2002, the Medicaid budget was underappropriated by \$100 million, and for State Fiscal Year 2003, the shortfall is in excess of \$100 million. The State does not have sufficient funds to cover the growing costs of health care delivered to those who depend on the Medicaid program. OMPP is pursuing a number of cost containment initiatives that will reduce overall expenditures to levels appropriated by the General Assembly and that will enable the State to pay all providers for services delivered, and ensure access to services for eligible recipients.

## To All Prescribing and Pharmacy Providers:

- The Indiana Drug Utilization Review (DUR) Board has made a recommendation to the Office of Medicaid Policy and Planning (OMPP) to move forward with implementation of a prior authorization (PA) program for drugs. Health Care Excel (HCE), in coordination with EDS and the OMPP, is developing PA programs for Stadol®, Ultram®, peptic ulcer disease drugs, non-steroidal anti-inflammatory drugs (NSAIDs), and growth hormones. Providers can access program criteria approved by the Board through the *What's New - Noteworthy Clinical Information* link on the DUR Board page of the Web site at [www.indianamedicaid.com](http://www.indianamedicaid.com). The link to the DUR Board Web page is located on the IHCP home page, under the *Provider Services* drop-down menu. Future IHCP publications will outline program operating guidelines and additional criteria as it is developed.

## To All Hospital Care for the Indigent Providers:

- EDS has been instructed by the Office of Medicaid Policy and Planning (OMPP) to add a hospital-specific remittance to the October 29, 2001, claim payment total. Myers and Stauffer, LC sent a letter to qualifying acute care hospitals dated August 17, September 19, or September 20, 2001, explaining the additional remittance. This hospital-specific payment for State fiscal year ending June 2001 is listed on the *Financial Transactions* page of the remittance advice, and is included in the total check amount for the week. This payment is not claim specific for either Medicaid or Hospital Care for the Indigent (HCI) claim activity. It is a general payment from Medicaid to reward hospitals for participation in the HCI program. Hospital providers currently in the HCI program are encouraged to continue participation in the same manner.

This Medicaid HCI add-on payment is the result of legislation enacted in 1993, by *Indiana Code (IC) 12-15-15-8*. In 1998, *IC 12-15-15-9*, repealed *IC 12-15-15-8*, and modified the payment methodology. The Centers for Medicare and Medicaid Services (CMS) has approved this state plan amendment. Any questions about this payment should be directed to Michael Rusbasan or Jared Duzan at (317) 846-9521 or 1-800-877-6927.

## To All Transportation Providers:

- The mass adjustments performed March 6, 2001, for transportation providers billing procedures codes X3033, A0150, and Y9001 are being reprocessed. EDS will systematically reprocess all affected claims. Providers will not need to resubmit any claims. Providers will see the reprocessing of these adjustments on the remittance advice dated November 6, 2001. The recoupment date on accounts receivable established as result of the mass adjustment will be changed to November 6, 2001, to coincide with this reprocessing. Any questions should be directed to the EDS Customer Assistance Unit at (317) 655-3240 in the Indianapolis local area or 1-800-577-1278.

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